

LEGISLATURE OF NEBRASKA
NINETY-NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 680

Introduced by Baker, 44

Read first time January 19, 2005

Committee: Natural Resources

A BILL

1 FOR AN ACT relating to the Nebraska Oil and Gas Conservation
2 Commission; to amend sections 57-705 and 57-922, Reissue
3 Revised Statutes of Nebraska; to create a fund; to change
4 funding provisions; to provide an operative date; and to
5 repeal the original sections.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 57-705, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 57-705. (1) All severance taxes levied by Chapter 57,
4 article 7, shall be paid to the Tax Commissioner. He or she shall
5 remit all such money received to the State Treasurer. All such
6 money received by the State Treasurer shall be credited to a fund
7 to be known as the Severance Tax Fund. An amount equal to one
8 percent of the gross severance tax receipts, excluding those
9 receipts from tax derived from oil and natural gas severed from
10 school lands, credited to the fund shall be credited by the State
11 Treasurer, upon the first day of each month, and shall inure to the
12 Severance Tax Administration Fund to be used for the expenses of
13 administering Chapter 57, article 7. The balance of the Severance
14 Tax Fund received from school lands shall be credited by the State
15 Treasurer, upon the first day of each month, and shall inure to the
16 permanent school fund.

17 (2) Of the balance of the Severance Tax Fund received
18 from other than school lands (a) the Legislature may transfer an
19 amount to be determined by the Legislature through the
20 appropriations process up to ~~three~~ one hundred thousand dollars for
21 each year to the State Energy Office Cash Fund, (b) the Legislature
22 may transfer an amount to be determined by the Legislature through
23 the appropriations process up to thirty thousand dollars for each
24 year to the Public Service Commission for administration of the
25 Municipal Rate Negotiations Revolving Loan Fund, ~~and~~ (c) the
26 Legislature may transfer an amount to be determined by the
27 Legislature through the appropriations process up to two hundred
28 thousand dollars to the Energy Enhancement and Research Fund, and

1 (d) the remainder shall be credited and inure to the permanent
2 school fund.

3 Sec. 2. Section 57-922, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 57-922. There is hereby created in the state treasury a
6 special fund to be known as the Oil and Gas Conservation Trust
7 Fund. All sums of money received by the Nebraska Oil and Gas
8 Conservation Commission, in a manner other than as provided in
9 section 57-705 or sections 57-901 to 57-921, shall be paid into the
10 state treasury and the State Treasurer shall deposit the money in
11 the Oil and Gas Conservation Trust Fund. The State Treasurer shall
12 disburse the money in the trust fund as directed by resolution of
13 the Nebraska Oil and Gas Conservation Commission. All
14 disbursements for the fund shall be made upon warrants drawn by the
15 Director of Administrative Services.

16 Sec. 3. The Energy Enhancement and Research Fund is
17 created. The fund shall be used by the Nebraska Oil and Gas
18 Conservation Commission for research and enhanced energy
19 production. Funds shall be awarded through a grant process to be
20 determined by the commission. Any money in the fund available for
21 investment shall be invested by the state investment officer
22 pursuant to the Nebraska Capital Expansion Act and the Nebraska
23 State Funds Investment Act.

24 Sec. 4. This act becomes operative on July 1, 2006.

25 Sec. 5. Original sections 57-705 and 57-922, Reissue
26 Revised Statutes of Nebraska, are repealed.